

AMENDED IN ASSEMBLY MARCH 25, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1421

Introduced by Assembly Member Cogdill

February 21, 2003

An act to amend Section 63036 of the Government Code, and to amend ~~Section 1720~~ *Sections 1720 and 1771* of the Labor Code, relating to public works, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1421, as amended, Cogdill. Public works: prevailing wage.

Existing law, the Bergeson-Peace Infrastructure and Economic Development Bank Act, establishes the California Infrastructure and Economic Development Bank in the Technology, Trade, and Commerce Agency. The act requires public works financed by the bank to comply with certain laws applicable to payment of prevailing wages on public works.

This bill would exempt those public works financed through the use of industrial development bonds under the California Industrial Development Financing Act from compliance with those laws relating to payment of prevailing wages.

Existing law generally defines “public works” to include construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds. The phrase “Paid for in whole or in part out of public funds” is defined to mean certain payments, transfers, credits, loans, reductions, waivers,

and performances of work, not including those for certain types of specified housing projects.

This bill would redefine public works to exclude installation and would eliminate the definition of, as well as certain exemptions and exclusions from, the phrase “paid for in whole or in part out of public funds.”

This bill would also exempt from prevailing wage requirements a community facilities district, as defined, that is located within the boundaries of a charter city that has adopted a resolution or ordinance exempting itself from the prevailing wage requirements.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 63036 of the Government Code is
2 amended to read:

3 63036. It is the intent of the Legislature that the activities of
4 the bank be fully coordinated with any future legislative plan
5 involving growth management strategies designed to protect
6 California’s land resource, and ensure its preservation and use it
7 in ways which are economically and socially desirable. Further, all
8 public works financed pursuant to this division shall comply with
9 Chapter 1 (commencing with Section 1720) of Part 7 of Division
10 2 of the Labor Code.

11 SEC. 2. Section 1720 of the Labor Code is amended to read:
12 1720. As used in this chapter, “public works” means:

13 (a) Construction, alteration, demolition, or repair work done
14 under contract and paid for in whole or in part out of public funds,
15 except work done directly by any public utility company pursuant
16 to order of the Public Utilities Commission or other public
17 authority. For purposes of this subdivision, “construction”
18 includes work performed during the design and preconstruction
19 phases of construction including, but not limited to, inspection and
20 land surveying work.

21 (b) Work done for irrigation, utility, reclamation, and
22 improvement districts, and other districts of this type. “Public
23 work” does not include the operation of the irrigation or drainage

1 system of any irrigation or reclamation district, except as used in
2 Section 1778 relating to retaining wages.

3 (c) Street, sewer, or other improvement work done under the
4 direction and supervision or by the authority of any officer or
5 public body of the state, or of any political subdivision or district
6 thereof, whether the political subdivision or district operates under
7 a freeholder's charter or not.

8 (d) The laying of carpet done under a building
9 lease-maintenance contract and paid for out of public funds.

10 (e) The laying of carpet in a public building done under
11 contract and paid for in whole or in part out of public funds.

12 (f) Public transportation demonstration projects authorized
13 pursuant to Section 143 of the Streets and Highways Code.

14 SEC. 3. *Section 1771 of the Labor Code is amended to read:*

15 1771. (a) Except for public works projects of one thousand
16 dollars (\$1,000) or less, not less than the general prevailing rate of
17 per diem wages for work of a similar character in the locality in
18 which the public work is performed, and not less than the general
19 prevailing rate of per diem wages for holiday and overtime work
20 fixed as provided in this chapter, shall be paid to all workers
21 employed on public works.

22 (b) This section ~~is applicable~~ *applies* only to work performed
23 under contract, and ~~is not applicable~~ *does not apply* to work carried
24 out by a public agency with its own forces. This section ~~is~~
25 ~~applicable~~ *applies* to contracts let for maintenance work.

26 (c) *This section does not apply to a public works project of a*
27 *community facilities district, formed pursuant to the Mello-Roos*
28 *Community Facilities Act of 1982 (Chapter 2.5 (commencing with*
29 *Section 53311) of Part 1 of Division 2 of Title 5 of the Government*
30 *Code), if the community facilities district is located within the*
31 *boundaries of a charter city that has adopted a resolution or*
32 *ordinance exempting the charter city from the wage requirements*
33 *of this article.*

34 SEC. 4. This act is an urgency statute necessary for the
35 immediate preservation of the public peace, health, or safety
36 within the meaning of Article IV of the Constitution and shall go
37 into immediate effect. The facts constituting the necessity are:

- 1 In order to alleviate the current state budget shortfall and
- 2 improve the state's economy at the earliest possible time, it is
- 3 necessary for this act to take effect immediately.

